



December 7<sup>th</sup>, 2012

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

Re: **WC Docket No. 10-90, Connect America Fund; GN Docket No. 09-51, A National Broadband Plan for the Future; WC Docket No. 07-135, Establishing Just and Reasonable Rates for Local Exchange Service; WC Docket No. 05-337, High-Cost Universal Service Support; CC Docket No. 01-92, Developing a Unified Intercarrier Compensation Regime; CC Docket No. 96-45. Federal-State Joint Board on Universal Service; WC Docket No. 03-109, Lifeline and Link-up; WT Docket No. 10-208, Universal Service Reform – Mobility Fund**

***Ex Parte Filing***

Dear Ms. Dortch:

On December 6<sup>th</sup>, 2012, the following parties met to discuss Mescalero Apache Telecom, Inc.'s (MATI) concerns about the enforcement of Universal Service Fund (USF) Quantile Regression Analysis (QRA) and other recent Intercarrier Compensation (ICC) reforms on its operations: Geoffrey Blackwell and Irene Flannery with the Office of Native Affairs & Policy; Joe Cavender and Rebekah Goodheart with the Wireline Competition Bureau (WCB); Sue McNeil, Margaret Wiener, Rita Cookneye, and Patricia Robbins with the Wireless Telecommunications Bureau; Jerome Block with MATI; Alan Morel, General Counsel for MATI; Godfrey Enjady, General Manager with MATI; Doug Kitch with Alexicon Telecommunications Consulting; and Debbie Ho and Gordon Kenny with Mapetsi Policy Group. We are submitting this *ex parte* filing pursuant to Section 1.1206(b) of the Commission's rules.

It was explained that MATI continues to be financially harmed from the enforcement of the Commission's reformed USF and ICC rules. In addition, MATI explained the possibility of defaulting on its RUS loan and the negative impact that these reforms are having on its ability to meet the loan terms and conditions with RUS, specifically its minimum TIER ratio requirements. Furthermore, the WCB stated the likely event of further modifying the current QRA Capital Expenditure and Operating Expenditure benchmarks into one overall benchmark for USF recovery purposes. The WCB also stated that it retains discretion how often the new QRA benchmark regime will be updated and whether coefficients and variables will be frozen or modified periodically.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas K. Kitch".

Douglas K. Kitch, CPA  
President, Alexicon Telecommunications Consulting